

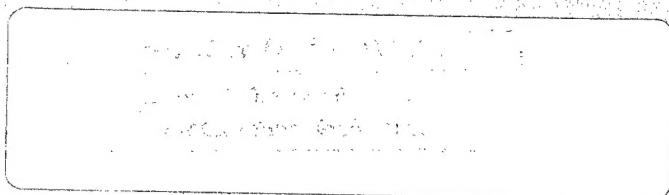
GAO

Report to the Chairman, Subcommittee  
on National Security, International  
Affairs, and Criminal Justice, Committee  
on Government Reform and Oversight,  
House of Representatives

August 1996

## MILITARY BASES

### Update on the Status of Bases Closed in 1988, 1991, and 1993



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Military Bases:  
Update on the  
Status of Bases  
Closed in 1988,  
1991, and 1993

National Security and  
International Affairs Division

B-270878

August 6, 1996

The Honorable William H. Zeliff, Jr.  
Chairman, Subcommittee on National  
Security, International Affairs,  
and Criminal Justice  
Committee on Government Reform  
and Oversight  
House of Representatives

Dear Mr. Chairman:

In your letter, you raised several issues related to the Department of Defense's (DOD) implementation of the base closure and realignment process. As discussed with your office, this report addresses (1) the extent of land sales at closing bases and whether private parties are excluded from purchasing surplus property; (2) the status of implementation efforts, including issues affecting implementation of the 1993 realignment and closure round; and (3) the amount of federal assistance provided to communities to promote economic conversion of closing bases.

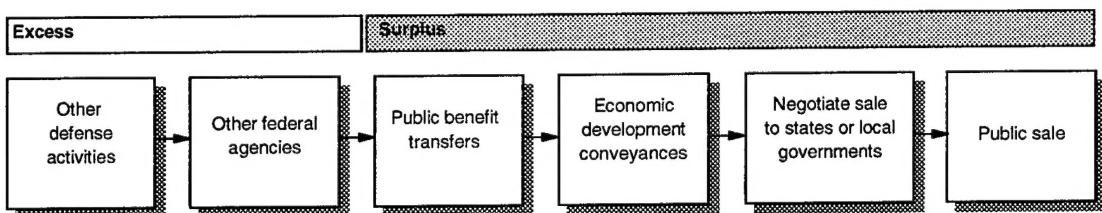
## Background

Changing national security needs and DOD's recognition that its base structure was larger than required led to a decision to close numerous military bases around the country. Consequently, the Congress enacted base realignment and closure (BRAC) legislation that instituted base closure rounds in 1988, 1991, 1993, and 1995. The authority under this legislation has expired. Property disposals resulting from base closures and realignments are governed by various base closure and realignment laws and other laws relating to the disposal of surplus government property, homeless assistance, and environmental concerns.

Once property is no longer required by a federal agency to discharge its responsibilities, the property is declared excess to that agency and then offered to other federal agencies to satisfy their requirements. If no other agency has a requirement for the property, it is declared surplus to the federal government. At that point, the Federal Property and Administrative Services Act of 1949 authorizes disposal through a variety of means such as public or negotiated sale and transfers to states and local governments for public benefit purposes such as education, public health, recreation, airport, wildlife conservation, and historic monuments. In addition, the base closure legislation authorizes surplus real property from closing

bases to be transferred to local redevelopment authorities under economic development conveyances for economic development and job creation purposes. To use this authority, however, requires a showing that economic development and job creation cannot be accomplished under established sales or public benefit transfers. As shown in figure 1, local reuse authorities generally seek surplus property under one of the public benefit transfer authorities first because these can be no-cost acquisitions, then through economic development conveyances because these can be no-cost or no-initial cost acquisitions, and lastly through negotiated sale because they can negotiate the terms and do not have to compete with other interested parties. Any surplus property that remains is available for sale to the general public. (See app. II for a more detailed discussion of the laws and regulations affecting the base closure process.)

**Figure 1: Usual Procedures for Transferring Property**

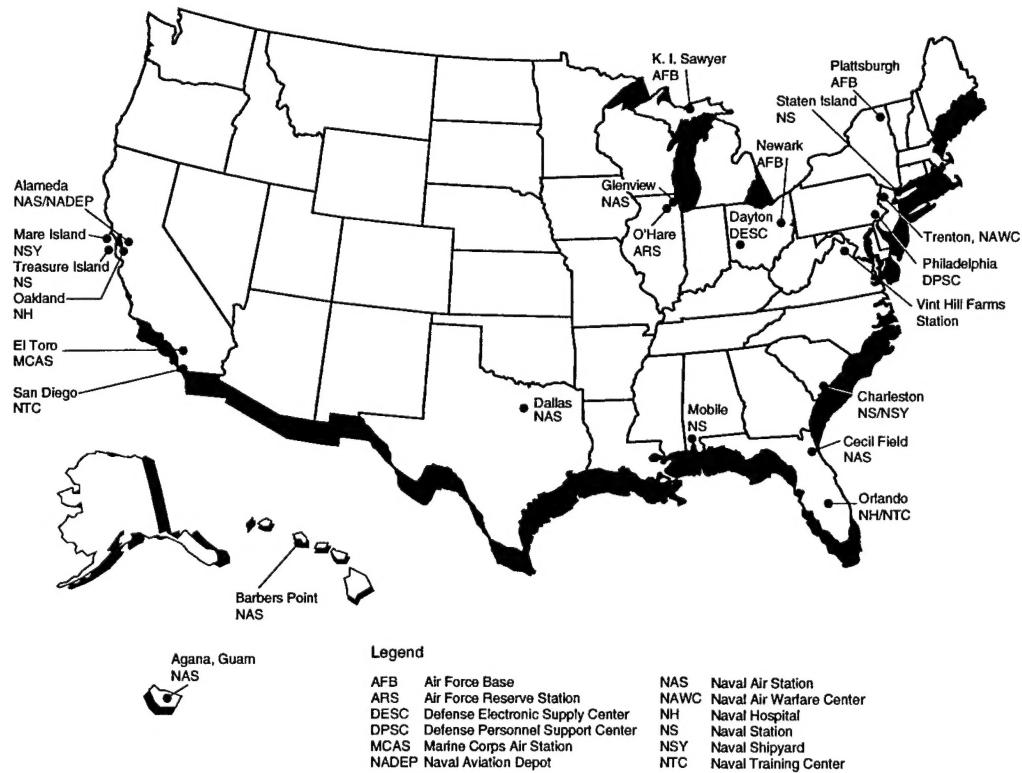


At the beginning of the base closure process, DOD expected that land sales would help pay for the costs of closing bases. However, given national policy changes and recent legislation that emphasize assisting communities that are losing bases, DOD no longer expects significant revenue from land sales.

The information contained in this report focuses on the September 1995 status of property disposal plans at 23 of 30 major installations recommended for closure by the 1993 closure commission unless more recent data was provided. (See fig. 2.) The 23 bases were selected because DOD considered these bases the major closures and assigned on-site base

transition coordinators to them as of January 1994. Although we previously reported on the status of major base closings in the 1988 and 1991 rounds,<sup>1</sup> this report provides information on those rounds to give an overall perspective on implementation of the closure recommendations.

**Figure 2: Bases Reviewed From 1993 Base Closure Round**



<sup>1</sup>Military Bases: Case Studies on Selected Bases Closed in 1988 and 1991 (GAO/NSIAD-95-139, Aug. 15, 1995).

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## Results in Brief

Land sales for the first three BRAC closure rounds totaled \$179.2 million as of March 1996. There were only two sales in the 1993 round for a total of \$1.5 million. Private parties are not precluded from purchasing surplus property at military bases that are closing. However, private parties rarely get the opportunity to bid on the purchase of these properties because communities are requesting them under public benefit transfers, economic development conveyances, and noncompetitive negotiated sale authorities. For example, currently, about 1 percent of the surplus property at the 23 closing bases we reviewed is planned for sale and less than half of that is planned for public sale.

About 16 percent of the land from the 23 bases will be retained by the federal government. Much of the land (68 percent) will be requested by local reuse authorities under various public benefit transfer authorities and the economic development conveyance authority. The reuse of about 15 percent of the land remains undetermined by local reuse authorities. Communities are planning industrial and office complexes, parks and other recreational facilities, residential housing, and correctional facilities. Some bases have also been successful in leasing base properties to generate jobs and revenue while the conversion process continues. However, developing and implementing reuse and disposal plans can be a lengthy process. Readily marketable properties may (1) decline in value as they sit idle and (2) require resources from the services' budgets for protection and maintenance. To preserve the value of facilities while reducing protection and maintenance costs, we are recommending that the Secretary of Defense: (1) set time limits on negotiations before offering property for public sale and (2) when practical, rent unoccupied, surplus housing and other facilities as a means of preserving property pending final disposition.

To help communities successfully transform closing bases into new opportunities, federal agencies have provided over \$780 million in direct financial assistance to areas affected by the 1988, 1991, and 1993 realignment and closure rounds. This assistance has come in numerous forms—planning assistance to help communities determine how they can best develop the property, training grants to provide the workforce with new skills, and grants to improve the infrastructure on bases. DOD is currently reporting that for the 60 bases we have reviewed from the first three closure rounds, about 21 percent of the 88,433 DOD civilian jobs lost have been replaced.

## Land Sales to Private Parties Are Limited

Opportunities for private parties to purchase surplus real property at closing bases, while not precluded, are limited by the disposal process. DOD, federal, state, and local interests are considered before surplus property is made available for public sale to private parties. Accordingly, DOD looks to a community's reuse plan and gives preference to its wishes when making disposal decisions.

Land sales for all BRAC closures totaled \$179.2 million as of March 1996. Two property sales have been completed from the 1993 round, one for \$1.1 million for 111 family housing units at Niagara Falls Naval Facility, New York, and the other for \$428,000 for 2.2 acres of land at Homestead Air Force Base, Florida.

A community's reuse plan recommends how surplus base property should be developed, and the military services generally base their disposal decisions on these plans. Developing reuse plans and developing and implementing service disposal plans can be a lengthy process. In some cases, this means that readily marketable properties may (1) deteriorate as they sit idle; (2) decline in value as negotiations drag on should a sale ever occur; and (3) drain resources from the services, as activities such as protection and maintenance are continued.

## DOD Policy Places a High Priority on Community Plans

As we reported earlier, only 4 percent of the surplus property was planned for public sale in the 1988 and 1991 closure rounds. In 1993, the amount of property planned for market sale dropped to about 1 percent. Less than half of that property is planned for public sale. The low percentage of land sold to the public is a result of the disposal process, which allows communities to plan the reuse of most base property.

Communities are requesting surplus property predominately through no-cost public benefit transfers or economic development conveyances. The economic development conveyance was established by law in response to President Clinton's Five Point Program to revitalize base closure communities, announced in July 1993. Section 2903 of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 established the basis for the economic development conveyance. The new mechanism is a special tool created to enable communities to act as master developers by obtaining property under more flexible finance and payment terms than previously existed. For example, a community can request property at less than fair market value if it can show the discount is needed for economic development and job creation.

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Regulations promulgated by DOD to implement title XXIX also give local communities the authority to recommend the land use of surplus property, taking into consideration feasible reuse alternatives and notices of interest from homeless assistance providers. The services consider these reuse plans when making their disposal decisions. However, they are not obligated to follow the reuse plans, nor is a community granted the authority to make disposal decisions.

The disposal of property by public benefit transfer or economic development conveyance rather than sale reduces the immediate economic return to the government. For example, the golf course at Myrtle Beach Air Force Base is to be conveyed through a public benefit transfer to the city of Myrtle Beach. By doing so, the government relinquished the opportunity to sell the property for \$3.5 million to a private developer who intended to continue to use it as a public course.

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Deterioration of  
Undisposed Property  
Reduces Value

Surplus property may deteriorate and lose value as it sits idle. DOD can avoid such results by disposing of surplus property as promptly as possible. However, before any sale can occur, DOD must consult with the state Governor and the heads of local governments to consider any plan for the use of the property by any concerned local government. The disposal process can be time consuming and the services have let property sit idle for several years while services and communities developed land use plans or negotiated a purchase. During this time, properties have deteriorated and their value declined. That decline represents lost revenue should a sale ever occur.

An example of housing that has deteriorated for more than 2 years, while the Air Force and the local reuse authority negotiated a sale, is Myrtle Beach Air Force Base. During negotiations, two appraisals were conducted. The property's value decreased significantly from the first appraisal to the second. According to an Air Force official, a major cause for the decrease in the property's appraised value was its deterioration. Family housing at the base is shown in figures 3 and 4. In addition, the director of the local reuse authority cited the need for significant upgrades to the houses to make them habitable.

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**Figure 3: Typical Family Housing at Myrtle Beach Air Force Base**



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**Figure 4: Damage Due to Wood Rot at Myrtle Beach Air Force Base**



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Deterioration also occurred to 1,271 family housing units at Mather Air Force Base. The housing has been vacant for over 2 years as the Air Force and the local reuse authority negotiate the terms of the sale. During this time, a number of units were damaged by inclement weather, vandalism, and thefts. In December 1995, a major storm felled 40 trees in the housing area damaging roofs and flooring. Since May 1995, 76 air-conditioning units have been stolen from the housing area. As an Air Force official noted, one of the reasons for the appraisal value's decline from the first to the last appraisal was the property's deterioration. The various forms of deterioration of family housing at the base are shown in figures 5, 6, 7, and 8.

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**Figure 5: General Deterioration**



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**Figure 6: Damaged Roof From Winter Storm**

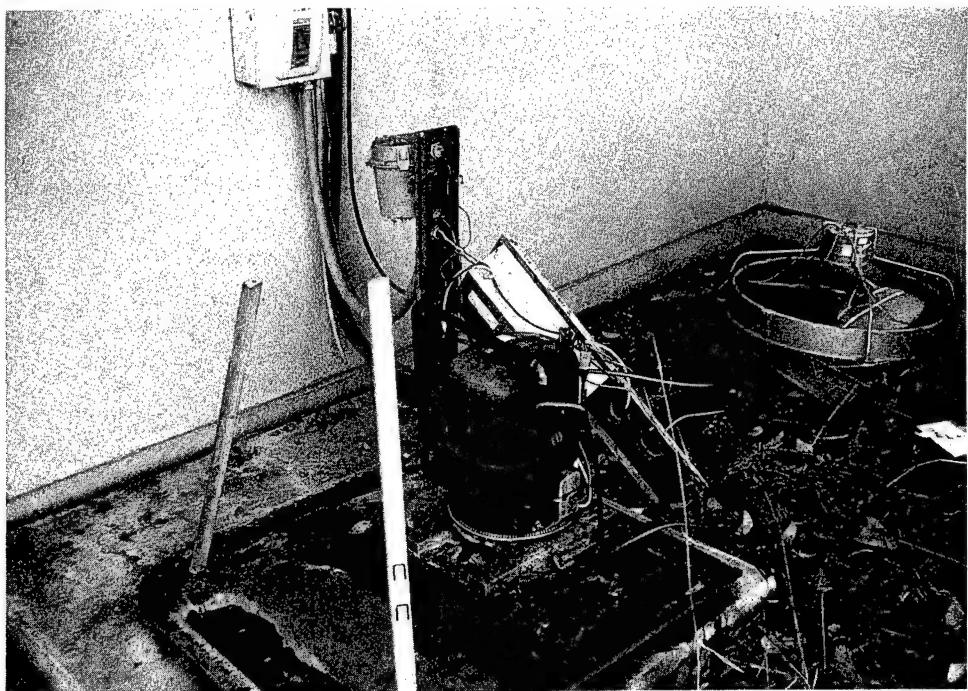


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**Figure 7: Damage Due to Electrical Fire**



**Figure 8: Vandalism and Theft Damage of Air-Conditioning Units**



### Lengthy Negotiations Result in Lower Property Values

In instances where surplus property is sold through a negotiated sale, as opposed to a public sale, the federal government may not be getting the highest monetary return possible for the surplus real property. When communities cannot obtain property through either a public benefit transfer or an economic development conveyance, they often seek the property through a negotiated sale, maintaining that the property will be used to fulfill a public use such as affordable housing.

According to federal regulation, negotiated sales of surplus property to state and local governments for a public benefit use are to be based on estimated fair market value. Even so, the federal government may lose revenue if the property is resold at a price above what the state or local government paid for it. To avoid this loss, the regulation requires that the conveyance documents resulting from the negotiated sales to public agencies contain an excess profits clause. This clause entitles the federal government to receive all subsequent sales proceeds that exceed the purchase price and other specified costs allowed to the state or local government if the property is sold within a specified time period. According to the Director of the Air Force Base Conversion Agency, the

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specified period is based on the time that it will take the housing to be absorbed into the market. In the case of the Mather housing, the local reuse authority states it will take about 10 years for the property to be absorbed, while pursuing a 3-year excess profits clause in the sales contract. In January 1995, both the General Services Administration and the Air Force concurred that the interest of the federal government would not be protected by a 3-year excess profits clause. This issue remains unresolved.

The government also may lose revenue when the estimated fair market value of surplus property declines during protracted negotiations. At Myrtle Beach, the Air Force has been negotiating the sale of 777 units of family housing for over 24 months, although a private party offered to purchase them even before they were declared surplus. The reuse authority has offered substantially less than the \$11.1 million offer once made by a private party. In both cases, the property's use would remain the same—housing. Similarly, at Mather Air Force Base, negotiations between the Air Force and the local reuse authority for 1,271 family housing units have been ongoing since 1993. If the Air Force accepts the local reuse authority's offer, it will be accepting significantly less revenue for the property than at least one private party was willing to pay.

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#### Protection and Maintenance Costs Continue

Protection and maintenance costs continue to accrue as property waits to be conveyed or sold. The longer the services hold on to property, the longer they incur the costs. While the services are not required to maintain property at their initial levels indefinitely, there is an incentive to protect and maintain it because the property forms the basis of a community's reuse plan.

The services must provide for the protection and maintenance of surplus property until its disposal. DOD's implementation manual states that the initial maintenance level at a base will normally be sustained for a maximum of 1 year after operational closure or 180 days after a formal disposal decision is made. These limits can be extended if a local reuse authority is actively implementing a reuse plan and the initial or adjusted levels are justified. According to an Air Force official, the only two instances (levels five and six) in which the services do not incur costs to maintain and protect property are (1) when property is leased and the tenant provides for the protection and maintenance and (2) when property is abandoned. Neither the Army nor the Navy compiled information on the

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average cost to protect and maintain their closed bases. An Air Force official stated its average annual cost was about \$2.7 million a base.

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### New Approaches Can Preserve Property Values

As discussed previously, property deteriorates when it sits vacant for extended periods of time, which decreases its value. DOD could preserve the value of facilities and reduce protection and maintenance costs by (1) renting vacated property to the limited degree necessary to preserve the property and (2) setting time limits on negotiations over the terms of sale.

The renting approach was successfully used at Fort Ord, California. Through the initiative of local base officials, government civilian families were allowed to rent a limited number of the nearly 1,200 family housing units in order to keep a presence in 3 housing tracts. Fort Ord officials, using the Corps of Engineers' estimates of fair market rental value, entered into rental agreements with the families. The families were assigned only to ground floor units of every other building so that anyone in upstairs units would be noticed and reported to security. According to former installation officials, the rent more than offset the protection and maintenance costs for the entire 1,200 units, and theft, vandalism, fire, and other forms of deterioration were limited to a minor theft and a few instances of graffiti that was quickly removed by housing officials. Many people voluntarily maintained the lawns of adjacent empty buildings, an unexpected benefit. The program was considered a success, and it is being continued by the university that acquired ownership.

The services could also preserve property values and reduce protection and maintenance costs by limiting the amount of time for negotiating the terms of either an economic development conveyance or a negotiated sale to a state or local jurisdiction. When disposing of surplus real property at closed military bases, the services are required to follow the laws and regulations that establish the terms under which the sale of surplus property is conducted. While the regulations provide direction on how and when sales can occur, they do not establish how long negotiations may continue. Communities may prolong the negotiation period in the hopes of obtaining more favorable terms, but they end up with property in much poorer condition. Negotiations unconstrained by time limits work to neither party's advantage. Property deterioration during the course of negotiations causes a loss of value to the government, and, if negotiations are successful, receipt of property by the local government that is less expensive but probably in poorer condition than when negotiations

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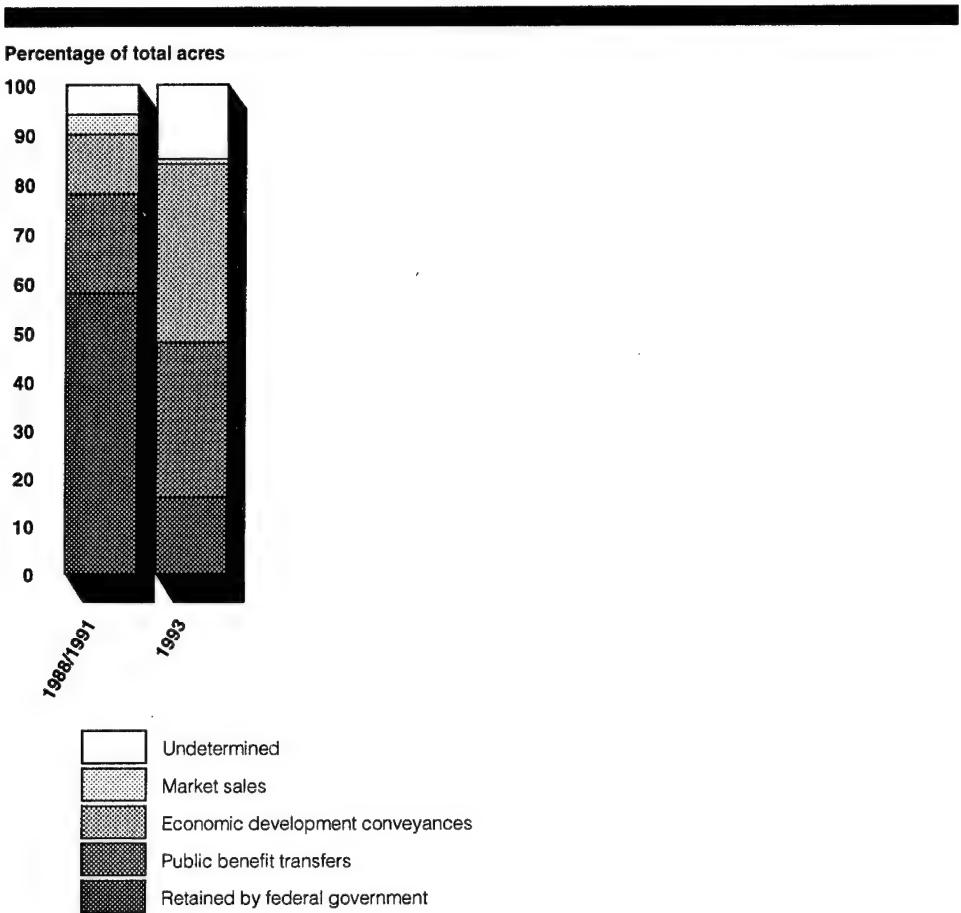
started. If time for negotiations was limited to a set period, such as 9 months (the amount of time an appraisal is valid), then property values could be more easily preserved, protection and maintenance costs would be limited, and only one appraisal would be required for the negotiations.

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## Base Reuse Shifts From the Federal Sector to Communities

Current plans call for the federal government to retain about 16 percent of the land at the 23 closing military bases to satisfy agency requirements or to comply with decisions made by the BRAC Commission or by legislation. This is a decrease from the 58 percent retained in the 1988 and 1991 rounds. About 84 percent of the property is to be declared surplus to the federal government's needs and made available for conversion to community reuse—double the percentage made available in the previous two rounds. The bulk of this land (68 percent) is expected to be conveyed to communities under either no cost public benefit conveyance authorities or under the economic development conveyance authority. Communities' plans for these properties involve a variety of public benefit and economic development uses; some communities expect base reuse to result in more civilian jobs than previously existed at the bases. As discussed earlier and shown in figure 9, only about 1 percent is planned for market sale. Communities have still not determined the reuse of 15 percent of the land.

**Figure 9: Comparison of 1988 and 1991 to 1993 Rounds for Planned Disposal of Base Closure Property**



### Property Retained for Federal Use

Of the 16 percent of the property to be retained by the government, 10 percent will be retained by DOD to support Reserve, National Guard, and other active duty missions. Frequently cited uses include Defense Finance and Accounting Service centers and military housing, often to support other neighboring military operations that are remaining open. About two-thirds of the land is being retained in accordance with BRAC recommendations. For example, at the Glenview and Barbers Point Naval Air Stations, the 1993 Commission recommended that 1,202 acres of housing be retained to support other nearby bases.

DOD will transfer about 4 percent of the land to the Department of Interior's Fish and Wildlife Service to be used as wildlife refuges and wetlands. DOD will also transfer about 1 percent of the land to other federal

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agencies for such uses as a national park, job core center, correctional facility, and finance center. (See app. III for a summary of federal uses.)

A primary reason that more land was retained for federal uses during the first two closures than in BRAC 1993 was that a larger proportion of the land was contaminated with unexploded ordnance. About half of the land retained by the federal government during the earlier closures will be used as wildlife refuges by the Fish and Wildlife Service or the Bureau of Land Management, in part, to avoid the cost of cleaning up land contaminated with unexploded ordnance. This problem was largely absent in the BRAC 1993 bases. However, even subtracting this land from the total available for disposal, the percentage of uncontaminated land being retained by the federal government fell substantially, from 29 to only 16 percent during the BRAC 1993 round.

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#### Community Reuse Plans

Communities plan to use several different means of conveyance for the 84 percent of base property available for community reuse during BRAC 1993. Although the method of conveyance and disposition for about 15 percent of base property remains undetermined, communities are planning to request 32.5 percent under various public benefit conveyances. As with the previous two rounds, the largest public benefit use is for commercial airport conversions, which will total about 20.1 percent under current plans. About 7.2 percent is planned for park and recreation use, the second largest public benefit use. Plans call for transferring another 5.2 percent of the property to such public benefit uses as homeless assistance, education, and a state prison.

Communities are also planning to request 35.7 percent of base property under economic development conveyances, compared with only 12 percent of property during the first two rounds. Final implementing rules for such applications, published in July 1995, allow communities to acquire surplus federal property at little or no initial cost provided that development of the property results in increased jobs. Thus, communities can take a long-range approach to planning land use.

During our review, communities were working on or initiating the studies and business plans necessary to apply for economic development conveyances for any base property remaining after federal and local public benefit screening. Initial indications are, however, that a number will be applying for transfers at low or no initial cost.

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Finally, DOD plans to sell about 1 percent (less than half to private parties) of the property. This compares with 4 percent during the previous two rounds. Table 1 provides a summary of the disposal plans for each of the 23 bases we reviewed.

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**Table 1: Planned Property Disposals at  
23 Bases Closed in the 1993 Round  
(Acres)**

	<b>Federal</b>		
	<b>DOD</b>	<b>FWS and BLM<sup>a</sup></b>	<b>Other federal</b>
Agana Naval Air Station			12
Alameda Naval Air Station and Naval Aviation Depot		970	
Barbers Point Naval Air Station	1,274	253	30
Cecil Field Naval Air Station	2,564		
Charleston Naval Station and Naval Shipyard	1,428		25
Dallas Naval Air Station			
Dayton Defense Electronics Supply Center	24		
EI Toro Marine Corps Air Station	20	1,084	155
Glenview Naval Air Station	93		
K.I. Sawyer Air Force Base			
Mare Island Naval Shipyard	33	17	8
Mobile Naval Station			
Newark Air Force Base		5	
O'Hare Air Reserve Station			
Oakland Naval Hospital			
Orlando Naval Training Center and Naval Hospital	59		46
Philadelphia Defense Personnel Support Center			
Plattsburgh Air Force Base			
San Diego Naval Training Center	87	40	2
Staten Island Naval Station	14		226
Treasure Island Naval Station			41
Trenton Naval Air Warfare Center			
Vint Hill Farms Station			
<b>Total acreage</b>	<b>5,601</b>	<b>2,364</b>	<b>545</b>
<b>Percentage of total</b>	10.40	4.39	1.01
<b>Percentage by group</b>			15.80

Public benefit transfers					Economic development conveyance	Market sales	Undetermined	Total acres
Homeless	Airports	Parks and recreation	Education	Other				
1,459		56		88	212			1,827
						1,872		2,842
							2,149	3,706
6,094	2,437		2,139		6,937			20,171
					1,533			2,986
					122			122
					141			165
2,000						1,479		4,738
					919	109		1,121
1,000		10	430		1,760			3,200
	660	40			1,262		323	2,343
					255			255
13					52			70
						365		365
							192	192
243	715	9	16		747	200		2,035
							86	86
5		34			4,826			4,865
						378		507
					155		1	396
		4	3				1,068	1,116
20						10	36	66
6	20	22			300		353	701
<b>11</b>	<b>10,829</b>	<b>3,888</b>	<b>119</b>	<b>2,676</b>	<b>19,221</b>	<b>684</b>	<b>7,937</b>	<b>53,875</b>
0.02	20.10	7.22	0.22	4.97	35.68	1.27	14.73	100.00
				32.53				

<sup>a</sup>Fish and Wildlife Service and Bureau of Land Management.

### The Conversion Process Is Creating Some New Jobs

Although BRAC 1993 bases are not as far along in the conversion process as bases we reviewed from the previous two rounds, progress is being made in converting properties to civilian uses. On closing bases, communities are planning industrial and office complexes, parks and other recreational

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facilities, residential housing, and correctional facilities. According to DOD's Office of Economic Adjustment, the 1988, 1991, and 1993 closure rounds resulted in the loss of 88,433 civilian jobs. On the other hand, the conversion of base property has resulted in the creation of 18,335 new jobs for about a 21-percent recovery rate. (See app. IV for a summary of jobs created.)

At some bases, the number of new jobs resulting from redevelopment are eventually expected to exceed preclosure levels. The following are some examples of reuse efforts.

- At Glenview Naval Air Station, Illinois, the community's plan includes residences, offices and warehouses, light industry, a commuter rail station, open space, and the preservation of the existing golf course. The plan is projected to create over 5,600 jobs, about 14 times the number of civilian jobs at the former base.
- At the Charleston Naval Complex, South Carolina, the community's plan includes continued private shipyard activities and other maritime industrial and cargo-related uses, as well as waterfront parks. Two maritime industry firms have already begun operations at the former base. Including public sector jobs on federally retained land (at the Postal Service and Defense Finance and Accounting Service), a local reuse authority official estimated that about 4,900 jobs would be created over the next 5 years. The reuse plan projects that redevelopment would create 9,100 to 11,600 jobs over the next 20 years, which is significantly greater than the complex's former civilian employment.
- The community at the over 20,000-acre Cecil Field Naval Air Station, Florida, the largest base closed by BRAC 1993, is planning an industrial and manufacturing center, recreation facilities, open space, a new state correctional facility, and agricultural areas, including 1,000 acres of forest and wetlands that will be used for tree farming. Once the base reuse plan is fully implemented, civilian employment is expected to exceed 5,000, or more than 10 times the level at the former base.
- The reuse plan at the Naval Training Center Orlando, Florida, provides for more than 3,200 residential units and more than 5 million square feet of new and renovated office and retail space for the Center's four properties. Twelve major tenants, some federal, have already been identified, accounting for about 1,700 new jobs, compared with 750 civilians employed at the former base. Employment is projected to reach about 15,000 within 10 years.

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The maximum time bases have to close is 6 years, although many close earlier. During the time that bases are closing, individual facilities sometimes become available for lease or license to the private sector. Such interim leases and licenses can result in increased job opportunities and generate needed revenue, which is then generally used for the care and maintenance of base facilities. Productive use of valuable assets can therefore take place while reuse planning continues for a more permanent disposition of property. Several communities have been successful in leasing or licensing base property, as the following examples show:

- At the Mare Island Naval Shipyard, California, two licenses and two interim leases have been signed for base property. The licenses are for the use of base facilities by a motion picture and local railroad company. The leases are for the use of a structural shop by an industrial firm and for the base golf course. To date, about 148,000 square feet of buildings and 100 acres have been licensed or leased creating about 250 jobs. The local reuse authority assumed responsibility for protecting and maintaining the leased property, thereby saving the Navy these costs.
- Two interim leases have been signed at the Dayton Defense Electronics Supply Center in Ohio. One lease is with a local manufacturing company and the other is with a county board involved with health issues. When both leases are fully operational, about 120 jobs are expected. To prepare for operations, one of the lessees has invested \$800,000 to renovate and upgrade 72,000 square feet of office space. Lease revenues are expected to be used to protect and maintain these properties.
- An interim lease was signed in November 1995 at the Alameda Naval Air Station, California, by a consortium of 120 California businesses specializing in developing new transportation technologies. A matching federal grant of \$2.9 million will be used to help start up operations in a vacant 65,000-square foot hangar. The new electric car chassis manufacturing facility is expected to generate an initial 50 jobs, with the potential for several hundred more.
- Treasure Island Naval Station, California, licensed properties to two movie production companies for 6 months each. A large hangar on the island was used to build sound stages and movie sets. Rental proceeds are being used to protect and maintain the properties. Recent concerns over seismic safety have halted licensing activity for the time being.

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## Assistance to Communities

A military base often represents a major employment center and provides significant economic stimulus to a local economy; thus, a base closure can

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cause economic distress. To support dislocated workers and help communities plan and implement their redevelopment objectives, the federal government is providing assistance through numerous programs.

Under major programs, federal agencies have provided about \$560 million to communities at the 60 BRAC bases we reviewed that were selected for closure in 1988, 1991, and 1993. In total, federal economic assistance related to fiscal years 1988 through 1995 reached about \$780 million for the three rounds. Grants have been awarded to communities for activities such as reuse planning and job training, as well as infrastructure improvements and community economic development. (See app. V for a summary of the federal assistance provided to each community.)

Among the major sources of assistance are DOD's Office of Economic Adjustment, the Department of Commerce's Economic Development Administration, the Department of Labor, and the Federal Aviation Administration. Additionally, there are other federal, state, and local resources available to assist with the retraining of workers and the redevelopment of the closed bases.

The Federal Aviation Administration has awarded the most assistance, providing \$182 million for airport planning and development of construction projects and public airports. The Economic Development Administration has awarded \$154 million to stimulate commercial and industrial growth and to protect and generate jobs in the affected areas. The Office of Economic Adjustment has awarded \$120 million to help communities plan the reuse of closed military bases and the Department of Labor has awarded \$103 million to help communities retrain workers adversely affected by closures.

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## Recommendations

We recommend that the Secretary of Defense establish reasonable time frames for concluding negotiated sales of surplus real property and when practical, rent unoccupied, surplus housing and other facilities as a means of preserving property pending final disposition.

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## Agency Comments and Our Evaluation

In commenting on a draft of this report, DOD stated that it partially concurred with the report, partially concurred with the first recommendation and nonconcurred with the second recommendation. DOD said that the report addressed widely differing bases and local circumstances and attempted to draw generic conclusions and solutions

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from the sample. DOD stated that closing bases vary greatly in terms of total land area, building and utility system condition, and the amount of environmental cleanup necessary to allow interim civilian use and ultimate disposal of property. It said that it is rare that the property lies in a single political jurisdiction and therefore base reuse planning was an extraordinary intergovernmental consensus building challenge.

With regard to our recommendation that reasonable time frames be established for concluding negotiated sales of surplus property, DOD partially concurred, stating that placing arbitrary limitations on the time frame for negotiations of sales and economic development conveyances was probably not practical, but it would look at establishing time frames where circumstances permit. Further, DOD said that a negotiated sale or economic development conveyance is made for a public purpose, principally economic redevelopment and new job creation, thereby allowing local redevelopment authorities better control in the selection and timing of job creating activities, rather than leaving them to the exigencies of the marketplace. DOD did not agree with our recommendation to rent unoccupied housing, stating that while the Fort Ord situation worked well, the recommendation had only limited utility. DOD believed that it inferred that there is a ready market for military facilities, which is not normally the case. Moreover, it said that placing large quantities of space up for lease could easily undercut local businesses and flood local markets, particularly in less urban locations. DOD also said that the recommendation ignored the essential ingredient of economic development conveyance disposals—the ability to use some of the military assets for immediate revenue streams to offset the up front redevelopment costs.

We agree with DOD that every base is unique and should be treated as such. However, there are lessons learned that can be drawn from the overall base closure experience that can be tailored for use in unique situations. Our recommendations were made in that context.

We believe establishing time frames for negotiated sales is a useful management tool to move negotiations along and measure progress, while at the same time leaving flexibility should it be needed. For example, if the creation of jobs and quickly and efficiently disposing of property is a primary goal, then it seems to us that placing reasonable time frames for negotiations can help to move the process along and is appropriate.

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We recognize that renting unoccupied housing will not work at all bases and have modified the recommendation to do that where practical, such as in the case of Fort Ord. In addition, the intent of the recommendation is for the government to rent the property until decisions are made on how to dispose of the property. Therefore, if the local reuse authority obtains the property, there is already a revenue stream in place, which was the case at Fort Ord. DOD's comments are presented in their entirety in appendix I.

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## Scope and Methodology

We collected information on 23 of the 30 major installations, containing about 54,000 acres, closed by the 1993 BRAC Commission. These bases were selected because they were considered major closures by the BRAC Commission and were assigned a base transition coordinator by DOD. Where more than one closure activity was located on the same installation, we combined the activities and reported on the installation as a whole.

To determine if private enterprises are being excluded from buying surplus property, we reviewed the statutes for disposing of property and documents detailing the interest by the private enterprise. We also interviewed DOD officials, base transition coordinators, community representatives, and private developers.

To determine the amount and type of federal assistance provided to the BRAC 1988, 1991, and 1993 base closure communities, we obtained federal assistance information from the Federal Aviation Administration, the Economic Development Administration, the Department of Labor, and the Office of Economic Adjustment.

To determine the current plans for reusing property at closing military installations, including any progress and/or problems in achieving those plans, we reviewed community reuse plans, when available, and interviewed base transition coordinators, community representatives, and DOD officials. When community reuse plans were not available, we identified the most likely reuses. When it was not possible to identify the most likely reuse of property, we categorized the property as undetermined.

Our review was performed between July 1995 and March 1996 in accordance with generally accepted government auditing standards.

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Unless you publicly announce its contents earlier, we plan no further distribution of this report until 10 days after its issue date. At that time, we will send copies to the Secretaries of Defense, the Army, the Navy, and the Air Force and to the Administrator of General Services. We will also make copies available to others upon request.

Please contact me at (202) 512-8412 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix VI.

Sincerely yours,



David R. Warren  
Director, Defense Management Issues

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**Abbreviations**

DOD	Department of Defense
BRAC	base realignment and closure

# Comments From the Department of Defense

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



**OFFICE OF THE UNDER SECRETARY OF DEFENSE**

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000



11 JUN 1996

Mr. David R. Warren  
 Director  
 Defense Management Issues  
 National Security and International Affairs Division  
 U.S. General Accounting Office  
 Washington, DC 20548

Dear Mr. Warren:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report dated April 26, 1996, 'MILITARY BASES: Disposal Issues and Implementation Status of Selected Bases Closed in 1993,' (GAO Code 709137/OSD Case 1138).

The Department partially concurs with this report, partially concurs with recommendation (1) and nonconcurs with recommendation (2). The report addresses widely differing bases and local circumstances, and attempts to draw generic conclusions and solutions from the sample. The diversity of situations makes this approach impractical. Every military base is unique, as are the economic, social and political constructs of their host communities. Closing bases vary greatly, for example in terms of total land area, building and utility system condition, and the amount of environmental cleanup necessary to allow interim civilian use and ultimate disposal of property. In addition, it is rare that the property lies in a single political jurisdiction. Thus, base reuse planning requires an extraordinary amount of intergovernmental consensus building which complicates planning progress. It should be noted that few BRAC 93 bases have ceased military operations, and therefore, the opportunities for interim leases have been minimal.

These contextual realities combine with well-established Federal property disposal laws that encourage public benefit use of surplus Federal property, and subsequent BRAC-related legislation that helps affected communities induce rapid reutilization of the property to create new jobs. The result is a complex process that focuses on and responds to critical needs of base closure communities.

The report makes several popular assumptions about community motivations during planning and implementation. First, it suggests that community reuse plans are designed to make maximum use of public benefit conveyances in order to take advantage of the deep discounts available through these authorities. While public benefit conveyances do have some appeal, experience shows that many communities are more interested in expanding their property tax base and job pool. These priorities often lead them to pursue public or negotiated property sales or economic development conveyances...instruments that generate proceeds to the Department to offset closure costs.

See comment 1.

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**Appendix I**  
**Comments From the Department of Defense**

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Secondly, we do not experience communities as seeking economic development conveyances as a means to eliminate competition for the surplus government real property. Rather, communities use EDCs and negotiated sales as mechanisms for controlling and driving the pace of commercial or industrial redevelopment rather than leaving new job creation to normal market conditions and private owner decisions.

The GAO report also raises concerns about the amount of time required to complete reuse planning. Recent legislation (principally Title XXIX of the National Defense Authorization Act for FY 94 and the Base Closure Community Reinvestment and Homeless Assistance Act of 1994) prescribes a front loaded planning process that results in earlier preparation of base reuse plans, which in turn allows the Military Departments to make their disposal decisions earlier. However, effective civilian use cannot be made of property (on an interim or long term basis) before the military mission has ceased or unhealthy environmental conditions have been remediated. The majority of community planning is now being completed ahead of closure schedules. It is not an impediment to reuse.

I trust these framing remarks will provide a helpful preface to and context for the GAO report. Enclosed are our comments on the proposed recommendations which reflect input from the Army, Navy, and Air Force. In addition, the DoD has provided a current list of Community Assistance Grants from the DoD Office of Economic Adjustment. The DoD appreciates the opportunity to comment on the draft report.

Sincerely,



Robert E. Bayer  
Principal Assistant Deputy Under Secretary  
(Industrial Affairs and Installations)

Enclosures:  
As Stated

**GAO DRAFT REPORT - DATED APRIL 26, 1996**  
**(GAO CODE 709137) OSD CASE 1138**

**"MILITARY BASES: DISPOSAL ISSUES AND IMPLEMENTATION STATUS OF  
SELECTED BASES CLOSED IN 1993"**

**RECOMMENDATIONS**

- **RECOMMENDATION 1:** The GAO recommended that the Secretary of Defense establish reasonable time frames for concluding negotiated sales of surplus real property. (p. 24/GAO Draft Report)

**DOD RESPONSE TO THE DRAFT REPORT:** Partially Concur. The Department supports measures to speed civilian use of base closure property and the reduction of protection and maintenance costs. In addition, for Economic Development Conveyances (EDCs), current Department policy requires the Military Departments to negotiate reasonable time frames for when the LRA's application must be submitted and the time period within which the application will be reviewed. This is done on a case-by-case basis. Placing arbitrary limitations on the timeframe for negotiations of negotiated sales and EDCs is probably not practical, but the Department will look at establishing timeframes where circumstances permit. A negotiated sale or EDC is made for a public purpose, principally economic redevelopment and new job creation on a closing base. These disposal vehicles allow local redevelopment authorities (LRAs) to better control the selection and timing of job creating activities, rather than leave these critical recovery actions to the exigencies of the marketplace. There is considerable local expectation that elected officials "produce" replacement jobs. Thus, the political urgency to induce development.

In addition, disposal through negotiated sale or an EDC is a complicated and politically sensitive process that is not served well by arbitrary limitations on the negotiation process. LRA decisions to pursue these acquisition mechanisms are accomplished in the public arena, often requiring public hearings, citizen review and feedback, and elected officials' backing. Furthermore, placing arbitrary time limits would remove substantial flexibility from the process, which is inherently the essence of negotiation.

- **RECOMMENDATION 2:** The GAO recommended that the Secretary of Defense rent unoccupied, surplus housing, and other facilities as a means of preserving property pending final disposition and generating additional income where possible. (p. 24/GAO Draft Report)

**DOD RESPONSE TO THE DRAFT REPORT:** Nonconcur. While it worked well in the Fort Ord situation, this recommendation has only limited utility. There is considerable effort made by the Military Departments to encourage interim use of those buildings and facilities that are no longer needed and have no serious environmental cleanup problems. This is done to enable rapid creation of new jobs, even as DoD jobs are being cut. It also reduces the DoD

Now on p. 22.

Now on p. 22.

See comment 2.

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**Appendix I**  
**Comments From the Department of Defense**

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protection and maintenance burden, as these costs are passed to the lessees. In fact, the Air Force reports that currently about 46% of available property is under short- or long-term leases. Much of this property includes the essential aviation operational and support facilities, comprising the major protection and maintenance cost burden for these bases. However, large bases usually have much more available space than local markets can absorb in a short timeframe. Often local housing markets are already slack because departing military personnel have left unusual vacancies making immediate rental economically (and politically) impractical. Also, the environmental conditions and potential liability attending some properties preclude practical interim use. Another consideration is the continued provision of costly utility service to leased facilities. The Military Departments cannot practically pass all these expenses on to the lessees.

The recommendation infers that there is a ready market for military facilities, which is not normally the case. Placing large quantities of space up for lease could easily undercut local businesses and flood local markets, particularly in less urban locations. It also ignores the essential ingredient of EDC disposals; the ability to use some of the Military assets for immediate revenue streams to offset the up front redevelopment costs. Family housing is one asset that can be used this way. By using the assets in an EDC formulation to defray costs for needed infrastructure improvements necessary to make property marketable, there is less demand on other Federal agencies to pay for these improvements (principally EDA).

See comment 3.

The following are GAO's comments on the Department of Defense's (DOD) letter dated June 14, 1996.

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## GAO Comments

1. We made a factual presentation of what was occurring and did not speculate on community motivations. As we noted in our report, communities are planning to request about 33 percent of the properties under various public benefit conveyance authorities and another 36 percent under the economic development conveyance authority, neither of which is property that expands the property tax base. Our review of the communities' plans shows less than 1 percent of the properties would be added to the property tax base.
2. We believe property can be effectively used to create jobs and reduce the military services' protection and maintenance costs even before community plans are finished or military missions have ceased. The Department of Defense Base Reuse Implementation Manual describes leasing for reuse as one of the most important tools for initiating rapid economic recovery and job creation while reducing the military's protection and maintenance costs. The manual also states that leasing for reuse can be done if it doesn't interfere with the military mission. The Fort Ord housing discussed in the report is one example. Examples of successful reuse prior to closure are discussed in our report. These include the leasing of facilities at Alameda Naval Air Station, Treasure Island Naval Station, Mare Island Naval Shipyard, and the Dayton Defense Electronics Supply Center and the renting of family housing at Fort Ord.
3. We believe our recommendation is practical for bases in urban areas. Fort Ord had more housing units than any other BRAC closure and it was located in a small urban community. Yet, the Army was successful in renting enough of the housing to pay for the protection and maintenance costs for all of the vacated housing. However, in rural areas this approach may not be practical and we revised our final report to reflect this point.

# Laws and Regulations Affecting Base Closure

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The principal legal authorities governing base closure and reuse are the (1) 1988 Defense Authorization Amendments and Base Closure and Realignment Act and the Defense Base Closure and Realignment Act of 1990; (2) Title XXIX, National Defense Authorization Act for Fiscal Year 1994; (3) Federal Property and Administrative Services Act of 1949; (4) National Environmental Policy Act of 1969; (5) Comprehensive Environmental Response, Compensation, and Liability Act of 1980; (6) 1987 Stewart B. McKinney Homeless Assistance Act; and (7) Base Closure Community Redevelopment and Homeless Assistance Act of 1994. Since the initial round of closures was announced, the disposal process has undergone a number of changes to enhance the possibility that reuse and economic development will result from the closed bases.

The 1988 Defense Authorization Amendments and Base Closure and Realignment Act and the Defense Base Closure and Realignment Act of 1990, collectively referred to as the base realignment and closure acts or BRAC acts, provide the Secretary of Defense with authority to close military bases and dispose of excess property. In July 1993, the President announced a five-part program to speed economic recovery at communities where military bases are slated to close. Title XXIX of the National Defense Authorization Act for Fiscal Year 1994 amended the BRAC acts to enable local redevelopment authorities to receive government property at no initial cost if the property is used for economic development and job creation. In July 1995, DOD issued a final rule impacting the disposal process. The rule implements the act by establishing the process for conveying property at estimated fair market value or less to facilitate property transfers and foster economic recovery in the affected community (referred to as economic development conveyances).

The Federal Property and Administrative Services Act of 1949 establishes the process of disposing of property deemed excess to an agency's needs or surplus to the government's requirements. In the case of base closures, property considered excess to the needs of one military service may be requested by the other military services and federal agencies to satisfy program requirements. If no government requirements exist, the property is declared surplus to the government and is available for conveyance at no cost through various public benefit discount programs, negotiated sale at fair market value to state governments or their instrumentalities, public sale at fair market value, or conveyed to communities at fair market value or less for economic development and job creation.

The National Environmental Policy Act of 1969 requires that the federal government assess the potential environmental impacts of its proposed action to dispose of surplus federal property prior to making a final disposal decision.

Under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, DOD is responsible for environmental restoration on bases recommended for closure or realignment. The level of cleanup required by the act is dependent upon the future use of the site. In fact, surplus property cannot be deeded until it has been determined that the property is environmentally suitable for its intended purposes. However, section 2908, title XXIX, National Defense Authorization Act for Fiscal Year 1994 makes it possible for the services to transfer a parcel of land exchange for cleanup at a closing base.

The Stewart B. McKinney Homeless Assistance Act provides homeless service providers access to surplus property. Initially, homeless providers were given priority over local communities for requests of excess property. However, the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 amended the BRAC acts and the McKinney Act, in essence eliminating the priority that homeless providers had. As a result of the amendments, homeless providers' needs are now considered in concert with the community's reuse planning process.

To support both the communities and the services in their efforts to expedite the disposal and reuse of closing military bases, DOD issued two reference manuals. In May 1995, DOD released the Community Guide to Base Reuse as a resource for communities. The guide describes the base closure and reuse processes; catalogs the many assistance programs available to communities, which are administered by DOD and others; and summarizes lessons learned from other communities that have been affected by base closures and realignments. In July 1995, DOD issued the Base Reuse Implementation Manual to provide common guidance for the service implementors of the Base Closure Assistance Act of 1993 and the Base Closure Community Redevelopment and Homeless Assistance Act of 1994.

# Summary of Federal Uses of Property at 23 Bases Closed in the 1993 BRAC Round

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**Office of the Secretary of Defense  
Activities**

**Defense Finance and Accounting Service**

	Charleston Naval Station and Naval Shipyard, S.C.	4 acres
	Dayton Defense Electronics Supply Center, Ohio	24 acres
	Newark Air Force Base, Ohio	5 acres
	Orlando Naval Training Center and Naval Hospital, Fla.	5 acres

**Army Activities**

Active Forces	Barbers Point Naval Air Station, Hawaii	16 acres
	Mare Island Naval Shipyard, Calif.	33 acres for Joint Warfare Command
Reserve Forces	Orlando Naval Training Center and Naval Hospital, Fla.	20 acres
	New York Naval Station, N.Y.	14 acres
	Charleston Naval Station and Naval Shipyard, S.C.	1,401 acres for dredging disposal site
National Guard	Barbers Point Naval Air Station, Hawaii	149 acres
	Orlando Naval Training Center and Naval Hospital, Fla.	17 acres

**Navy/Marine Corps Activities**

Active Forces	Barbers Point Naval Air Station, Hawaii	1,109 acres of housing to support other nearby bases (BRAC recommendation)
	Cecil Field Naval Air Station, Fla.	2,564 acres, landing field to support nearby base (BRAC recommendation)
	Glenview Naval Air Station, Ill.	93 acres of housing to support nearby base (BRAC recommendation)
	Orlando Naval Training Center and Naval Hospital, Fla.	11 acres for Navy Exchange and 6 acres for Naval Air Warfare Center
	San Diego Naval Training Center, Calif.	87 acres of housing to support nearby Marine Corps facility
	Charleston Naval Station and Naval Shipyard, S.C.	23 acres, Naval Command, Control, and Ocean Surveillance Center; and Defense Printing Office

**Air Force Activities**

National Guard	El Toro Marine Corps Air Station, Calif.	20 acres
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**Department of Interior Activities**

Fish and Wildlife Service	Alameda Naval Air Station, and Naval Aviation Depot, Calif.	970 acres for wildlife refuge
	Barbers Point Naval Air Station, Hawaii	253 acres for wildlife refuge
	El Toro Marine Corps Air Station, Calif.	1,084 acres for wildlife refuge

(continued)

**Appendix III**  
**Summary of Federal Uses of Property at**  
**23 Bases Closed in the 1993 BRAC Round**

National Park Service	San Diego Naval Training Center, Calif. Mare Island Naval Shipyard, Calif. Staten Island Naval Station, N.Y.	40 acres for wildlife refuge 17 acres for wetlands/wildlife refuge 174 acres (163 acres legally required)
<b>Other Federal Activities</b>		
<b>Department of Transportation</b>		
Federal Aviation Administration	Agana Naval Air Station, Guam Barbers Point Naval Air Station, Hawaii	1 acre 18 acres
Coast Guard	Staten Island Naval Station, N.Y. Treasure Island Naval Station, Calif. Charleston Naval Station and Naval Shipyard, S.C.	49 acres housing and administration space 1 acre 10 acres
<b>General Services Administration</b>	Agana Naval Air Station, Guam	8 acres
<b>Department of Commerce</b>		
National Weather Service	Agana Naval Air Station, Guam	3 acres
National Oceanic and Atmospheric Administration	Charleston Naval Station and Naval Shipyard, S.C.	5 acres (legislative requirement)
<b>Department of Veterans Affairs</b>	Barbers Point Naval Air Station, Hawaii Orlando Naval Training Center and Naval Hospital, Fla.	6 acres 42 acres for clinic
<b>Postal Service</b>	Barbers Point Naval Air Station, Hawaii	6 acres for district facility
<b>Department of Justice</b>		
Bureau of Prisons	EI Toro Marine Corps Air Station, Calif. Staten Island Naval Station, N.Y.	155 acres for a minimum security correctional facility 3 acres for guard housing
Border Patrol	San Diego Naval Training Center, Calif.	2 acres for a firing range
<b>Department of Treasury</b>		
Customs	Orlando Naval Training Center, and Naval Hospital, Fla.	4 acres for communication center
<b>Department of Labor</b>		
Employment and Training Administration	Treasure Island Naval Station, Calif.	40 acres for Job Corps Center
<b>Department of State</b>	Charleston Naval Station and Naval Shipyard, S.C.	10 acres for finance center (legislative requirement)
<b>Department of Agriculture</b>		
Forest Service	Mare Island Naval Shipyard, Calif.	8 acres for regional headquarters

# Summary of Jobs Created at 60 Bases Closed in 1988, 1991, and 1993 BRAC Rounds

<b>Base</b>	<b>Jobs lost</b>	<b>Jobs created</b>	<b>Recovery (Percent)</b>
Agana Naval Air Station	339	0	0
Alameda Naval Air Station and Naval Aviation Depot	3,228	0	0
Army Materials Technology Laboratory	540	0	0
Barbers Point Naval Air Station	618	0	0
Bergstrom Air Force Base	942	0	0
Cameron Station	4,355	0	0
Castle Air Force Base	1,164	89	7.65
Cecil Field Naval Air Station	995	0	0
Chanute Air Force Base	1,035	1,033	99.81
Charleston Naval Station and Naval Shipyard	6,031	1,557	25.82
Chase Field Naval Air Station	914	1,520	166.30
Dallas Naval Air Station	268	0	0
Davisville Naval Construction Battalion Center	125	35	28.00
Dayton Defense Electronics Support Center	2,804	105	3.74
Eaker Air Force Base	792	87	10.98
El Toro Marine Corps Air Station	979	0	0
England Air Force Base	697	845	121.23
Fort Benjamin Harrison	4,240	21	0.50
Fort Devens	2,178	0	0
Fort Ord	2,835	365	12.87
Fort Sheridan	1,681	18	1.07
Fort Wingate	90	5	5.56
George Air Force Base	506	266	52.57
Glenview Naval Air Station	389	68	17.48
Grissom Air Force Base	792	33	4.17
Jefferson Proving Ground	387	0	0
K.I. Sawyer Air Force Base	788	97	12.31
Lexington Army Depot	1,131	219	19.36
Long Beach Naval Station and Naval Hospital	721	42	5.83
Loring Air Force Base	1,326	217	16.37
Lowry Air Force Base	2,290	226	9.87
Mare Island Naval Shipyard	7,567	115	1.52
Mather Air Force Base	1,012	241	23.81
Mobile Naval Station	126	12	9.52
Moffett Field Naval Air Station	633	202	31.91
Myrtle Beach Air Force Base	799	678	84.86
Newark Air Force Base	1,760	0	0
Norton Air Force Base	2,133	665	31.18

(continued)

**Appendix IV**  
**Summary of Jobs Created at 60 Bases**  
**Closed in 1988, 1991, and 1993 BRAC**  
**Rounds**

<b>Base</b>	<b>Jobs lost</b>	<b>Jobs created</b>	<b>Recovery (Percent)</b>
O'Hare Air Reserve Station	757	0	0
Oakland Naval Hospital	809	0	0
Orlando Naval Training Center and Naval Hospital	1,105	624	56.47
Pease Air Force Base	400	1,075	268.75
Philadelphia Defense Personnel Supply Center	1,235	0	0
Philadelphia Naval Station, Naval Hospital, and Naval Shipyard	8,119	0	0
Plattsburgh Air Force Base	352	57	16.19
Presidio of San Francisco	3,150	1,111	35.27
Puget Sound Naval Station (Sand Point)	754	0	0
Richards-Gebaur Air Reserve Station	569	4	0.70
Rickenbacker Air Guard Base	1,129	8	0.71
Sacramento Army Depot	3,164	5,000	158.03
San Diego Naval Training Center	402	0	0
Staten Island Naval Station	1,001	125	12.49
Treasure Island Naval Station	454	0	0
Trenton Naval Air Warfare Center	448	10	2.23
Tustin Marine Corps Air Station	348	0	0
Vint Hill Farms Station	1,472	0	0
Warminster Naval Air Warfare Center	1,979	0	0
Williams Air Force Base	781	752	96.29
Woodbridge Army Research Facility	90	0	0
Wurtsmith Air Force Base	705	808	114.61
<b>Total</b>	<b>88,433</b>	<b>18,335</b>	<b>20.73</b>

# Cash Grants Given to Facilitate Reuse Plans at 60 Bases Closed in 1988, 1991, and 1993 BRAC Rounds

<b>Base</b>	<b>Total OEA grants<sup>a</sup></b>	<b>Total FAA grants<sup>b</sup></b>	<b>Total EDA grants<sup>c</sup></b>	<b>Total DOL grants<sup>d</sup></b>	<b>Total grants</b>
Agana Naval Air Station	\$1,548,393	\$22,911,123	0	0	\$24,459,516
Alameda Naval Air Station and Naval Aviation Depot	2,160,200	0	\$2,050,000	0	4,210,200
Army Materials Technology Laboratory	185,000	0	262,500	0	447,500
Barbers Point Naval Air Station	649,754	0	0	0	649,754
Bergstrom Air Force Base	200,000	110,841,266	0	\$1,228,260	112,269,526
Cameron Station	0	0	0	0	0
Castle Air Force Base	1,491,907	2,143,000	7,500,000	0	11,134,907
Cecil Field Naval Air Station	987,924	0	855,150	0	1,843,074
Chanute Air Force Base	1,131,428	937,830	5,958,250	3,000,000	11,027,508
Charleston Naval Station and Naval Shipyard	3,236,176	0	6,425,541	16,175,755	25,837,472
Chase Field Naval Air Station	1,105,411	134,596	4,162,500	875,151	6,277,658
Dallas Naval Air Station	615,250	0	0	0	615,250
Davisville Naval Construction Battalion Center	133,000	0	0	0	133,000
Dayton Defense Electronics Supply Center	719,247	0	0	0	719,247
Eaker Air Force Base	2,661,480	90,000	5,124,100	0	7,875,580
El Toro Marine Corps Air Station	1,651,933	0	0	0	1,651,933
England Air Force Base	2,741,182	149,850	6,411,800	500,000	9,802,832
Fort Benjamin Harrison	1,225,903	0	50,000	4,592,752	5,868,655
Fort Devens	2,819,751	0	3,625,000	2,000,000	8,444,751
Fort Ord	10,158,121	155,700	39,022,000	800,000	50,135,821
Fort Sheridan	534,963	0	0	0	534,963
Fort Wingate Army Depot	0	0	0	0	0
George Air Force Base	533,648	118,638	6,525,000	1,000,000	8,177,286
Glenview Naval Air Station	798,943	100,000	2,971,125	598,468	4,468,536
Grissom Air Force Base	1,431,376	0	50,000	612,500	2,093,876
Jefferson Proving Ground	358,600	0	900,000	875,000	2,133,600
K.I. Sawyer Air Force Base	705,600	400,000	0	0	1,105,600
Lexington Army Depot	100,000	0	0	1,045,000	1,145,000
Long Beach Naval Station and Naval Hospital	2,463,284	0	0	0	2,463,284
Loring Air Force Base	2,458,138	50,000	2,567,000	2,100,000	7,175,138
Lowry Air Force Base	2,519,130	0	6,288,500	800,000	9,607,630
Mare Island Naval Shipyard	2,653,226	0	175,000	8,000,000	10,828,226
Mather Air Force Base	630,500	238,526	8,325,000	1,750,000	10,944,026
Mobile Naval Station	200,000	0	0	0	200,000
Moffett Field Naval Air Station	0	0	0	3,558,678	3,558,678
Myrtle Beach Air Force Base	1,408,264	20,289,557	3,500,000	925,000	26,122,821

(continued)

**Appendix V**  
**Cash Grants Given to Facilitate Reuse Plans**  
**at 60 Bases Closed in 1988, 1991, and 1993**  
**BRAC Rounds**

<b>Base</b>	<b>Total OEA grants<sup>a</sup></b>	<b>Total FAA grants<sup>b</sup></b>	<b>Total EDA grants<sup>c</sup></b>	<b>Total DOL grants<sup>d</sup></b>	<b>Total grants</b>
Newark Air Force Base	810,602	0	0	2,062,500	2,873,102
Norton Air Force Base	741,000	3,438,638	6,825,000	2,916,000	13,920,638
O'Hare Air Reserve Station	0	0	0	0	0
Oakland Naval Hospital	0	0	0	0	0
Orlando Naval Training Center and Hospital	1,222,672	0	0	3,392,374	4,615,046
Pease Air Force Base	859,790	12,152,864	11,925,000	0	24,937,654
Philadelphia Defense Personnel Support Center	321,306	0	0	4,500,000	4,821,306
Philadelphia Naval Station, Hospital, and Shipyard	53,061,090	0	7,300,000	28,150,000	88,511,090
Plattsburgh Air Force Base	1,694,845	0	2,250,000	1,296,684	5,241,529
Presidio of San Francisco	0	0	0	500,000	500,000
Puget Sound Naval Station (Sand Point)	120,000	0	0	1,188,000	1,308,000
Richards-Gebaur Air Reserve Station	241,985	2,052,815	0	0	2,294,800
Rickenbacker Air Guard Base	111,000	1,409,895	0	684,545	2,205,440
Sacramento Army Depot	436,010	0	0	1,750,000	2,186,010
San Diego Naval Training Center	1,110,810	0	0	0	1,110,810
Staten Island Naval Station	527,244	0	0	0	527,244
Treasure Island Naval Station	0	0	0	0	0
Trenton Naval Air Warfare Center	134,902	0	0	0	134,902
Tustin Marine Corps Air Station	1,235,543	0	0	0	1,235,543
Vint Hill Farms Station	545,303	0	0	0	545,303
Warminster Naval Air Warfare Center	1,049,565	0	2,000,000	2,600,000	5,649,565
Williams Air Force Base	1,770,859	4,218,000	1,069,750	2,000,000	9,058,609
Woodbridge Army Research Facility	50,000	0	0	0	50,000
Wurtsmith Air Force Base	1,674,416	508,000	9,717,500	1,250,000	13,149,916
<b>Total</b>	<b>\$119,936,674</b>	<b>\$182,340,298</b>	<b>\$153,835,716</b>	<b>\$102,726,667</b>	<b>\$558,839,355</b>

<sup>a</sup>Office of Economic Adjustment.

<sup>b</sup>Federal Aviation Administration.

<sup>c</sup>Economic Development Administration.

<sup>d</sup>Department of Labor.

# Major Contributors to This Report

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# Related GAO Products

GAO has issued the following products related to military base closures and realignments:

Military Bases: Closure and Realignment Savings Are Significant, But Not Easily Quantified (GAO/NSIAD-96-67, Apr. 8, 1996).

Closing Maintenance Depots: Savings, Workload, and Redistribution Issues (GAO/NSIAD-96-29, Mar. 4, 1996).

Military Bases: Case Studies on Selected Bases Closed in 1988 and 1991 (GAO/NSIAD-95-139, Aug. 15, 1995).

Military Base Closures: Analysis of DOD's Process and Recommendations for 1995 (GAO/T-NSIAD-95-132, Apr. 17, 1995).

Military Bases: Analysis of DOD's 1995 Process and Recommendations for Closure and Realignment (GAO/NSIAD-95-133, Apr. 14, 1995).

Military Bases: Challenges in Identifying and Implementing Closure Recommendations (GAO/T-NSIAD-95-107, Feb. 23, 1995).

Military Bases: Environmental Impact at Closing Installations (GAO/NSIAD-95-70, Feb. 23, 1995).

Military Bases: Reuse Plans for Selected Bases Closed in 1988 and 1991 (GAO/NSIAD-95-3, Nov. 1, 1994).

Military Bases: Army's Planned Consolidation of Research, Development, Test, and Evaluation (GAO/NSIAD-93-150, Apr. 29, 1993).

Military Bases: Analysis of DOD's Recommendations and Selection Process for Closure and Realignments (GAO/T-NSIAD-93-11, Apr. 19, 1993).

Military Bases: Analysis of DOD's Recommendations and Selection Process for Closures and Realignments (GAO/NSIAD-93-173, Apr. 15, 1993).

Military Bases: Revised Cost and Savings Estimates for 1988 and 1991 Closures and Realignments (GAO/NSIAD-93-161, Mar. 31, 1993).

Military Bases: Observations on the Analyses Supporting Proposed Closures and Realignments (GAO/NSIAD-91-224, May 15, 1991).

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**Related GAO Products**

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**Military Bases: An Analysis of the Commission's Realignment and Closure Recommendations (GAO/NSIAD-90-42, Nov. 29, 1989).**